

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

No. 655

Washington, D. C.

June 26, 1937

CONGRESS SUMMARY

Hearings End on Labor Bill—Appropriations Passed—Committee Action

The Joint Labor Committee adjourned the hearings on the Administration labor bill (S. 2475, H. R. 7200) on Tuesday, June 22nd. The proposal will now be considered by the Senate and House Labor Committees meeting separately in executive sessions. Mrs. Mary T. Norton of New Jersey has been appointed to the chairmanship of the House Labor Committee made vacant by the death of Representative Connerly who had introduced the Administration labor bill in the House.

Representatives of industries closely related to agriculture who appeared at the hearings on the labor bill all pointed out the necessity of flexibility of hours in the handling of perishable products. Secretary Horace H. Herr, appearing on behalf of the National League of Wholesale Fresh Fruit and Vegetable Shippers, said:

"This is, necessarily, a long hour industry, especially in the summer. The long hours apply to the employers as well as the employees. These commodities must be harvested, shipped, sold and consumed when they are ripe. Nature controls the ripening factor. Beginning with Florida products in the winter, the growing and marketing season moves north and west. Each growing section brings a rush movement. At one season the rush is on Florida vegetables, at another Georgia peaches or watermelons. The peak movements follow one upon the other, often overlapping. Finally comes the heavy local production in all the northern states. The products must be marketed when they are ready. The wholesale distributor has no choice but to take care of the supplies when they arrive and, with large truck movement, they now arrive every hour of the day and night. Long hours can not be avoided. If the Congress decides that this industry, intimately connected with agriculture, should be included in such a program as is contemplated in this bill, then some place there must be authority to modify the program to meet the difficult and unyielding conditions which the industry faces—conditions which exist not by choice but by necessity."

The Senate passed and sent to conference on Tuesday the \$1,500,000,000 relief bill, and the following day the War Department appropriation measure was passed, thus leaving only the Non-Military Establishment and Interior Department appropriations to be voted upon in the Senate. All the regular appropriations, including two deficiency bills, have passed the House. The Senate on Thursday passed the House resolution extending the so-called "nuisance" taxes for another two years.

The House Committee on Interstate and Foreign Commerce voted on Wednesday to retain in the Lea bill (H. R. 5854) to amend the Federal Trade Commission Act, a provision placing control over food and drug advertising in the Federal Trade Commission. The Committee is still considering the

language and scope of the provision. When the Committee takes final action on the bill they will substitute the Wheeler bill (S. 1077) in amended form for the Lea bill in order to expedite passage of the measure, as the Wheeler bill has been passed by the Senate.

Other Committee action during the week included the filing of a favorable report by the Senate Judiciary Committee on a new child labor amendment and the granting of a rule by the House Rules Committee to expedite action on the farm tenancy bill, which has been redrafted and reported by the Agricultural Committee.

At a hearing before the House Committee on Merchant Marine and Fisheries, Federal officials testifying on Chairman Bland's proposal to authorize transfer of a suitable and available ship to the Bureau of Fisheries for research purposes, stated that no such vessel is available at this time.

The Pope crop insurance bill was discussed by a subcommittee of the House Agricultural Committee, and it is expected that a report will be made to the full Committee this coming week.

Congress adjourned on Thursday for the remainder of the week in order that the Democratic members might attend the Jefferson Island conferences, which began Friday and are to extend through Sunday.

ROBINSON-PATMAN ACT WORK

Federal Trade Commission Reviews Its Administrative Activities During the Past Year

The work of the Federal Trade Commission under the Robinson-Patman Act during the year following the approval of the Act on June 19, 1936, is reviewed in the following statement issued by the Commission on June 21st:

The Robinson-Patman Act has been on the statute books one year, or since June 19, 1936, during which time 291 investigations necessitating field work have been conducted. The Commission's investigational division has completed 152 reports to the Commission on the facts regarding alleged violations. One hundred and thirty-nine investigations are, therefore, yet to be completed. In the 152 investigations completed by the Chief Examiner's division and reported on to the Commission, the Commission has issued formal complaints in the case of 22, closed 98, and 32 are still awaiting disposition. In 43 of the 98 matters closed, the Commission found that no unlawful discrimination was apparent. Twelve cases were closed because the parties complained of had changed their practices before the alleged violations had been completely investigated. In 14 cases the evidence failed to disclose that the differentials in price produced any unlawful effect upon competition. Thirteen cases were closed because the practices complained of were unrelated to inter-

state transactions and concerned purely local matters. In four cases it appeared from the facts that the sellers' prices to the particular customers were necessary to meet an equally low price made by a competitor of the said sellers.

In two cases it appeared that the discriminations alleged related solely to advertising rates not connected with the sale of any goods, wares or merchandise, and bore no relation thereto.

Several cases involving sales to the Federal Government were closed following the giving of an opinion by the Attorney General, holding that the Robinson-Patman Act does not apply to sales made to the Federal Government.

In one case involving the application of Section 2 (c) of the Act, the complainant alleged control of the broker by a buyer. It appeared from the facts developed on investigation that such control did not, in fact, exist.

Of twenty-two complaints issued by the Commission, one has been terminated by voluntary action on the part of the respondent. In this case, the Procon Grocery Service Co., Inc., organized by some of the largest corporate chains engaged in the grocery business, was charged in a formal complaint with violating the provisions of Section 2 (c) of the Robinson-Patman Act, it being alleged that so-called brokerage fees were obtained from sellers and were paid in the form of patronage dividends to the stockholder buyers and other buyers associated with Procon Grocery Service Co., Inc. Shortly after the issuance of this complaint, Procon Grocery Service Co., Inc., and its members expressed an intention to cease the practice and to that end surrendered the company's charter and certified to the Commission that they had dissolved said corporation in the utmost good faith, and that they did not intend, as a group or individually, to organize any similar corporation or any unincorporated association to engage in the business practices described in the complaint. Thereupon the Commission ordered this case closed without prejudice to the right of the Commission, should the facts so warrant, to reopen the same and resume prosecution of the complaint in accordance with its regular procedure.

Several cases will soon be heard by the Commission, the taking of evidence having been completed. The remaining cases are in various stages of trial.

The 291 complaints investigated by the Chief Examiner's office, or still being investigated by that office, represent only a part of the cases handled under the Robinson-Patman Act.

As a result of numerous requests to the Commission by representatives of various industries for conferences with respect to the Robinson-Patman Act and its administration with particular reference to the problems of the individual industries concerned, the Commission, desiring to be as helpful to business as possible, permitted members of its staff to discuss with groups of business men and their attorneys problems generally affecting their industries. As a result whole industries revised quantity discounts and inequitable allowances and eliminated the unlawful granting of so-called brokerage and other discriminatory allowances. Business generally expressed approval of changes to meet the provisions of the law. Several hundred individual business men and their attorneys have personally called at the offices of the Commission to discuss the Robinson-Patman Act and after such discussions indicated an intention to correct prac-

tices which they believed might be in conflict with the Act. The Commission likewise, through correspondence, has aided several thousand business concerns who desired information directly from the Commission.

A statistical resume of the kinds of commodities involved in the 291 investigations which the Chief Examiner's office has initiated under the Robinson-Patman Act for the period from June 19, 1936, to June 19, 1937, shows that foods were involved in 45 cases, cosmetics in 24, drugs in 23, house furnishings in 10, gasoline in 8, tobacco in 7, handbags in 6, and other commodities in 168.

CANNING CROPS

Forecast of Pea Production—Preliminary Acreage Figures on Snap Beans

The following reports on canning crops were issued by the Bureau of Agricultural Economics on the basis of data available on June 15th:

Green Peas

Prospective production of 256,280 tons of green peas for manufacture is indicated by reports to the Bureau of Agricultural Economics on June 15th. This compares with an estimated production of 187,420 tons in 1936, and is 41 per cent above the average production of 182,070 tons for the 5-year (1928-32) period. The following table shows the planted acreage and indicated production (tons shelled) in 1937 as compared with harvested acreage and production in 1936. The Bureau points out that the final outcome in 1937 will depend, of course, upon growing conditions subsequent to June 15th.

State	Acreage		Production	
	Harvested 1936 Acres	Planted 1937 Acres	1936 Tons	1937 Indicated Tons
Maine.....	2,250	2,900	1,910	2,540
New York.....	38,200	40,000	13,180	26,000
Pennsylvania....	*4,800	6,000	*4,080	5,100
Ohio.....	4,150	4,700	2,800	3,880
Indiana.....	7,900	8,300	6,120	7,350
Illinois.....	18,500	18,600	12,300	14,420
Michigan.....	14,500	15,200	7,030	8,360
Wisconsin.....	90,000	108,000	43,200	62,100
Minnesota.....	20,000	24,800	14,000	17,360
Delaware.....	2,800	3,400	1,500	2,040
Maryland.....	17,800	18,200	11,120	13,650
Virginia.....	5,500	5,900	3,020	3,890
Montana.....	2,250	2,700	2,140	3,380
Colorado.....	3,560	4,300	3,510	3,660
Utah.....	12,700	14,600	12,060	17,880
Washington.....	21,000	27,200	26,250	28,560
Oregon.....	16,150	*22,100	12,840	19,890
Other States ^b	14,340	*17,220	10,360	16,220
Total.....	*296,400	*344,120	*187,420	256,280

* Revised.

^b "Other States" include: Arkansas, California, Idaho, Iowa, Kansas, Nebraska, New Jersey, Oklahoma, Tennessee, Texas, and Wyoming.

Snap Beans

The acres planted to snap beans for manufacture is indicated at 63,880 acres, which is an increase of 11.4 per cent

over the 1936 planted acreage. The acreage planted in 1932 was 31,480 acres; 1933, 42,890; 1934, 47,860; 1935, 51,730, and 1936, 57,330 acres. The 1937 acreage has been exceeded only by the record acreage of 1930, when 80,360 acres were planted.

The following table shows, by States, the planted acreage in 1937 compared with similar data for the previous three years.

State	1934	1935	1936	1937
	Acre	Acre	Acre	Indicated
Maine.....	890	1,050	1,150	1,650
New York.....	7,100	7,740	8,400	9,240
Pennsylvania....	1,900	1,800	2,150	2,400
Indiana.....	3,500	3,500	1,300	1,600
Michigan.....	4,000	5,000	5,700	6,300
Wisconsin.....	5,700	6,500	6,300	7,500
Delaware.....	1,220	1,000	900	870
Maryland.....	10,500	10,000	10,000	11,000
South Carolina...	200	350	500	500
Tennessee.....	1,240	1,200	2,300	2,500
Mississippi.....	1,400	1,540	1,800	1,500
Arkansas.....	1,250	1,800	2,600	2,700
Louisiana.....	540	580	1,100	1,800
Colorado.....	1,100	1,180	900	900
Utah.....	480	600	720	980
Washington.....	400	850	770	1,000
Oregon.....	900	1,160	1,340	1,800
California.....	430	540	880	740
Other States*.....	5,110	5,340	8,520	8,900
Total.....	47,860	51,730	57,330	63,880

* "Other States" include: Florida, Georgia, Idaho, Illinois, Iowa, Kentucky, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, Texas, Vermont, Virginia and Wyoming.

Crop Conditions on June 15

State	Green Peas		Snap Beans	
	June 15, 1936	June 15, 1937	June 15, 1936	June 15, 1937
	Per cent	Per cent	Per cent	Per cent
Maine.....	95	82	100	80
New York.....	73	84	76	93
Pennsylvania....	50	80	70	80
Ohio.....	65	90	..	..
Indiana.....	62	86	65	86
Illinois.....	80	94	..	..
Michigan.....	77	83	80	86
Wisconsin.....	78	86	90	90
Minnesota.....	92	90	..	..
Delaware.....	47	54	71	85
Maryland.....	53	65	73	82
Virginia.....	40	50	..	..
South Carolina...	..	..	47	80
Tennessee.....	..	..	58	86
Mississippi.....	..	..	65	50
Arkansas.....	..	..	52	92
Louisiana.....	..	..	50	65
Montana.....	89	90	..	..
Colorado.....	85	90	94	90
Utah.....	85	94	93	87
Washington.....	88	92	85	93
Oregon.....	89	95	90	94
California.....	..	..	90	85
Other States.....	71	84	76	81
U. S. Average....	76.2	85.2	75.5	84.9

State	Sweet Corn		Tomatoes	
	June 15, 1936	June 15, 1937	June 15, 1936	June 15, 1937
	Per cent	Per cent	Per cent	Per cent
Maine.....	100	82	..	..
New Hampshire..	100	82	..	..
Vermont.....	100	93	..	..
New York.....	88	85	82	92
New Jersey.....	..	..	83	83
Pennsylvania....	70	87	88	90
Ohio.....	80	83	89	88
Indiana.....	75	87	85	86
Illinois.....	90	90	95	87
Michigan.....	90	85	93	90
Wisconsin.....	84	82	..	..
Minnesota.....	94	88	..	..
Iowa.....	85	85	87	88
Nebraska.....	86	90	..	..
Missouri.....	..	..	78	91
Delaware.....	80	87	70	85
Maryland.....	80	85	74	84
Virginia.....	..	..	63	80
Kentucky.....	..	..	61	85
Tennessee.....	60	95	53	88
Arkansas.....	..	..	67	89
Colorado.....	..	..	93	85
Utah.....	..	..	93	89
California.....	..	..	90	90
Other States.....	82	84	72	78
U. S. Average....	86.2	86.6	80.3	86.3

Radio Address Sent to All Cannery

Through the courtesy of the Department of Commerce the Association has been able to send to every canner in the United States a copy of the radio talk on the canning and preserving industry broadcast over the entire Columbia network on the afternoon of June 19th. The Department has also announced that it will be glad to send a copy of the talk to anyone who desires it. Requests should be addressed to the Department of Commerce in Washington.

The talk was an interesting and informative story of the beginnings of the industry, its development, and its achievements.

FRUIT PROSPECTS

Summary of Situation as Reported by the Bureau of Agricultural Economics

The outlook for deciduous fruits during the 1937 season is for relatively abundant supplies with prices in general somewhat lower than those of 1936, the Bureau of Agricultural Economics reported on June 23rd. On the other hand, the supply of citrus fruits during the summer and early fall will be small, the Bureau says, and prices are expected to be relatively high.

The condition of the 1937 apple crop is above average in all regions except the far western group of States where it is slightly below average. If a large crop materializes, apple prices this year may be expected to average considerably below the relatively high prices of last season.

Peaches

A very small crop of peaches is expected in the Southern States which market their crops principally during June and

July, but the California crop is expected to be about the same as that of last year and only slightly below average. Production in the States which harvest during the late summer and fall is indicated to be much greater than usual, and it is estimated that the total peach crop will be almost a fifth larger than that of last year and only slightly below average.

The following table gives the forecast for 1937 as compared with the production in 1936 and the average annual production for 1928-1932:

	Average 1928-32	1936	Forecast 1937
	1,000 bushels	1,000 bushels	1,000 bushels
10 Southern States.....	* 14,580	13,711	10,489
California, all.....	* 23,844	21,502	21,957
Clingstone.....	* 15,610	14,043	14,320
Freestone.....	* 8,234	7,459	7,637
All other States.....	* 18,874	12,437	23,656
Total.....	* 57,298	47,650	56,102

* Includes some quantities not harvested on account of market conditions.

Pears

A relatively large crop of pears is in prospect this season. Indications on June 1st were for a production of more than 31 million bushels, which is 17 per cent larger than the 1936 crop and 29 per cent above the 1928-32 average. It is likely that prices of pears this year will average slightly less than those of last season, although part of the price-depressing influence of the more abundant supplies may be offset by a higher level of consumer purchasing power this year as compared with last.

In the North Atlantic and North Central States pears developed under favorable conditions during May and prospects are for good to excellent crops in most of these States. In the South Atlantic States indications point to good pear crops except in North Carolina, South Carolina, and Georgia, where there was considerable damage by spring frosts. The South Central States show a light set of fruit as a result of spring frosts. In the Rocky Mountain States prospective production is below average generally. In the Pacific Northwest, indications are for an unusually large crop despite cool, wet weather at blossom time. Prospective production in California is above average, with Bartlett's showing up somewhat better than fall or winter varieties.

Region	Average 1928-32	1936	Forecast 1937
	1,000 bushels	1,000 bushels	1,000 bushels
Eastern States.....	3,229	3,422	4,133
Central States.....	4,246	4,128	6,612
Rocky Mountain States.....	549	454	311
Pacific Coast States, all.....	16,310	18,952	20,428
Washington.....	* 3,921	5,400	6,424
Oregon.....	* 2,855	3,760	4,182
California.....	* 9,534	9,792	9,822
Total.....	*24,334	26,956	31,484

* Includes some quantities not harvested on account of market conditions.

Citrus

The June 1st condition of the new crop of oranges (from bloom of 1937) is reported to be somewhat below average in California, and about average in Florida. Texas orange condition is below that of last year, but well above that of most recent years. A good bloom was reported in all States, but blooming in California was late and there is some uncertainty as to whether a good crop will be set. Other States have a good set of fruit and the "spring drop" does not appear to be unusually heavy.

With the exception of Arizona, the June 1 condition of the new crop of grapefruit (from bloom of 1937) is only fair and is much below the condition reported on June 1, 1936. The bloom and set of fruit in Florida were reported as light. Texas grapefruit trees bloomed profusely, but the "May drop" was heavy and the final set of fruit is uncertain. In California the bloom was satisfactory but late, and it is still too early to determine the set. The condition in Arizona is good.

The June 1 condition of the new crop of lemons (from bloom of 1937) is much below average, being only 61 per cent of normal compared with the 1923-32 average of 82 per cent of normal. This relatively poor condition is traceable to the damage suffered by lemon trees from winter freezes.

Storms Destroy Canning Crops in Ohio

Destructive storms have caused extensive damage to canning crops in various parts of Ohio this week, according to reports received from canners. The Scioto-Sandusky valley has been flooded, and in Pickaway county alone over 2,000 acres of canning crops were covered with water. One canner in the Circleville district reports the loss of one-third of his corn acreage, while over half of the contracted acreage of another canner is under water.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agriculture
Economics, Department of Agriculture

	Week ending—			Season total to—	
	June 19 1936	June 19 1937	June 12 1937	June 19 1936	June 19 1937
VEGETABLES					
Beans, snap and lima	215	135	184	7,242	7,706
Tomatoes.....	1,621	1,690	1,629	13,113	12,975
Green peas.....	63	177	161	4,193	3,854
Spinach.....	2	1	1	7,402	8,102
Others:					
Domestic, competing directly....	2,845	2,660	2,513	108,213	108,683
FRUITS					
Citrus, domestic....	2,761	2,031	2,232	104,577	117,711
Imports.....	21	16	17	633	235
Others, domestic....	1,332	1,012	662	11,216	9,683

CONTENTS

	PAGE
Congress summary	5287
Robinson-Patman Act work	5287
Canning crops	5288
Radio address sent to all canners	5289
Fruit prospects	5289
Storms destroy canning crops in Ohio	5290
Fruit and vegetable market competition	5290